

**STIPULATED AWARD
NASD Dispute Resolution**

In the Matter of the Arbitration Between

Name of Claimants

Robert S. and Robyn M. Forman

and

02-05320
Phoenix, Arizona

Name of Respondents

Banc of America Securities
Karen S. Herrick

Nature of the Dispute: Customers vs. Member and Associated Person.

REPRESENTATION OF PARTIES

Robert S. and Robyn M. Forman ("Claimants") were represented by Jeffrey D. Ferentz, Esq., Greenbaum and Ferentz, LLP, Newport Beach, CA.

Banc of America Securities ("Respondent Banc of America") and Karen S. Herrick ("Respondent Herrick") were represented by Peter R. Boutin, Esq. And Ben Suter, Esq., Keesal, Young & Logan, San Francisco, CA.

CASE INFORMATION

The Statement of Claim was filed on or about September 9, 2002. Submission Agreement of Claimants Robert S. and Robyn M. Forman was signed on August 30, 2002.

Statement of Answer was filed by Respondents Banc of America Securities and Karen S. Herrick on or about November 22, 2002. Submission Agreement of Respondent Banc of America Securities was signed on November 4, 2002. Submission Agreement of Respondent Karen S. Herrick was signed on January 21, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: unsuitability, deceit, discretionary trading, violation of the Securities Exchange Act, misrepresentations and omissions, breach of fiduciary duty and failure to supervise.

Respondents denied the allegations set forth in the Statement of Claim and asserted numerous defenses.

RELIEF REQUESTED

Claimant requested an award in the amount of \$1,200,000.00.

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs.

OTHER ISSUES CONSIDERED & DECIDED

On or about February 2, 2004, Claimants and Respondents advised NASD Dispute Resolution, Inc. that they had entered into a settlement agreement resolving all issues of this arbitration. Accordingly, the parties requested that the matter be dismissed.

The parties filed with NASD Dispute Resolution, Inc. a proposed Stipulated Award of Dismissal and Expungement, requesting that the NASD enter an award of dismissal and expungement of all references to this matter from the NASD and Central Registration Depository ("CRD") records of registered representative Karen Herrick.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies. The parties have agreed to receive conformed copies of the award while the original(s) remain on file with the NASD Dispute Resolution (the "NASD").

AWARD

After considering the pleadings and upon the parties' joint request, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Claimants and Respondents having entered into a settlement agreement and having stipulated and agreed to dismiss all claims against Respondents, said claims are hereby dismissed with prejudice. This does not represent an adjudication on the merits, but rather reflects the parties' agreement.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Karen S. Herrick's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Karen S. Herrick must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

3. That to the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto are denied with prejudice.
4. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys fees, not specifically awarded or otherwise provided for above.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$500.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm(s) is Banc of America Securities.

Member surcharge	\$	2,800.00
Pre-hearing process fee	\$	750.00
Hearing process fee	\$	5,000.00
Total Member Fees	\$	8,550.00

Adjournment Fees

Adjournments requested during these proceedings:

Hearing Date(s), January 26-30, 2004 adjournment requested by all parties = \$1,200.00

Forum Fees and Assessments

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

1 Pre-hearing session(s) with Panel	x	1,200.00	\$	1,200.00
	May 6, 2003	1 session		
Total Forum Fees			\$	<u>1,200.00</u>

The Arbitration Panel has assessed \$600.00 of the forum fees to Robert S. and Robyn M. Forman. The Arbitration Panel has assessed \$600.00 of the forum fees jointly and severally to Banc of America Securities and Karen S. Herrick.

Fee Summary

Claimants, Robert S. and Robyn M. Forman shall be and hereby are jointly and severally liable for:

Initial Filing Fee	= \$	500.00
Adjournment Fee	= \$	600.00
<u>Forum Fees</u>	= \$	<u>600.00</u>
Total Fees	= \$	1,700.00
<u>Less payments</u>	= \$	<u>-1,800.00</u>
Balance to be refunded by NASD Dispute Resolution	= \$	100.00

Respondent, Banc of America Securities, shall be and hereby is liable for:

Member Fees	= \$	8,550.00
Total Fees	= \$	8,550.00
<u>Less payments</u>	= \$	<u>-8,550.00</u>
Balance Due NASD Dispute Resolution	= \$	0.00

Respondents, Banc of America Securities and Karen S. Herrick, shall be and hereby are jointly and severally liable for:

Adjournment Fee	= \$	600.00
<u>Forum Fees</u>	= \$	<u>600.00</u>
Total Fees	= \$	1,200.00
<u>Less payments</u>	= \$	<u>-1,200.00</u>
Balance Due NASD Dispute Resolution	= \$	0.00

All balances are due to NASD Dispute Resolution

ARBITRATION PANEL

Kathy Irene Zatari, Esq. - Public Arbitrator, Presiding Chair
Paul G. Johnson - Public Arbitrator
Stephen E. Lyders - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Kathy Irene Zatari
Kathy Irene Zatari, Esq.
Public Arbitrator, Presiding Chair

May 14, 2004
Signature Date

/s/ Paul G. Johnson
Paul G. Johnson
Public Arbitrator

May 14, 2004
Signature Date

/s/ Stephen E. Lyders
Stephen E. Lyders
Non-Public Arbitrator

May 20, 2004
Signature Date

5/25/04
Date of Service (For NASD office use only)

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ARBITRATION PANEL

Kathy Irene Zatari, Esq. - Public Arbitrator, Presiding Chair
Paul G. Johnson - Public Arbitrator
Stephen E. Lyders - Non-Public Arbitrator

Concurring Arbitrators:

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Kathy Irene Zatari, Esq.
Public Arbitrator, Presiding Chair

5/14/04
Signature Date

Paul G. Johnson
Paul G. Johnson
Public Arbitrator

Signature Date

Stephen E. Lyders
Stephen E. Lyders
Non-Public Arbitrator

Signature Date

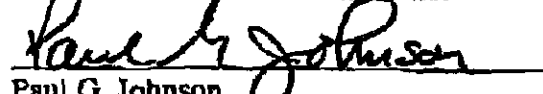
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Paul G. Johnson - Public Arbitrator
Stephen E. Lyders - Non-Public Arbitrator

Concurring Arbitrators:

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Public Arbitrator, Presiding Chair


Paul G. Johnson
Public Arbitrator

Signature Date


Signature Date

Stephen E. Lyders
Non-Public Arbitrator

Signature Date

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Stipulated Award Page 3 of 5

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Public Arbitrator, Presiding Chair

Signature Date

Paul G. Johnson
Public Arbitrator

Signature Date



Stephen E. Lyders
Non-Public Arbitrator

5-20-2004

Signature Date